

**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**IN THE MATTER OF:**

[REDACTED]

MAHS Reg. No.: 15-020496  
Issue No.: 2002  
Agency Case No.: [REDACTED]  
Hearing Date: January 21, 2016  
County: Macomb (20) Warren

**ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris**

**HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a 3-way telephone hearing was held on January 21, 2016, from Detroit, Michigan. The Petitioner was represented by [REDACTED] of [REDACTED], the Petitioner's Authorized Hearing Representative (AHR). The Petitioner did not appear. The Department of Health and Human Services (Department) did not appear after being contacted that the hearing was to begin.

**ISSUE**

Did the Department properly deny the Petitioner's Medical Assistance (MA) application for failure to verify income?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner's AHR applied for MA on February 5, 2015, and retro MA covering the months of December 2014 and January 2015. The Petitioner listed [REDACTED] as her employer. Exhibit A.
2. On March 17, 2015, a redetermination was mailed to Petitioner but not to the AHR. The redetermination was returned on April 3, 2015.
3. The Petitioner's AHR has never received notice of the status of the February 5, 2015, MA application, or a Health Care Coverage Determination denying the application. None was provided as evidence in the hearing packet.
4. The Department issued a Health Care Coverage Determination Notice on April 17, 2015, closing the MA case as of May 1, 2015, for [REDACTED], [REDACTED].

██████ and ████████████████████ for failure to return the redetermination form and the required proofs. The Notice was sent to the Petitioner, but Petitioner is not mentioned as one of the individuals whose case closed. Exhibit H.

5. A Verification Checklist (VCL) was sent to the Petitioner on March 27, 2015, with a due date of April 6, 2015, requesting the last 30 days of check stubs or earnings statements for Petitioner and her son, ████████████████████. Exhibit G, p. 32. The Petitioner's AHR was not sent the VCL. Exhibit G.
6. On May 1, 2015, the Petitioner's AHR returned pay stubs for ████████████████████ and requested a 10-day extension to file pay stubs for her son's employer. The VCL was provided to the AHR on April 27, 2015. Petitioner Exhibit 1.
7. The Department issued five (5) Employment verifications on April 21, 2015, addressed to the employers. The Petitioner's AHR was not sent the Verifications of Employment, which were requested.
8. The Petitioner's AHR requested a timely hearing on October 26, 2015, protesting the Department's actions.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, the Petitioner's AHR applied for MA on her behalf filing an application on February 5, 2015, with retro MA to December 2014. Thereafter, it appears the AHR provided the Department by May 1, 2015, the employment information from the one employer that the AHR was aware of at the time. A VCL was sent to the Petitioner on March 27, 2015, with a due date of April 4, 2015. The VCL was not sent to the AHR. Exhibit G. After inquiry about the application status, the Department advised the AHR to complete the verification, which it provided to the AHR on April 27, 2015, and to "see what you could provide by May 1, 2015." Exhibit I. On the date the VCL was received by the AHR, the AHR specifically requested that the Department advise what information the Department still required to complete the case. The evidence available at the hearing indicated that no response from the Department was forthcoming.

On May 1, 2015, the AHR provided wage information for the Petitioner regarding the only employer it was aware of and asked for a 10-day extension to complete wage information for Petitioner's son. Petitioner's Exhibit 1. Although the Department sent five Employer Verifications to employers, it did not advise the AHR about these employers. The Department the issued a Health Care Coverage Notice dated April 17, 2015, closing the MA case for [REDACTED], [REDACTED] and [REDACTED] [REDACTED] for failure to return the redetermination. Exhibit H. The redetermination form also was never sent to the AHR. The Petitioner's name does not appear in the April 17, 2015, Notice and the Notice was not sent to the AHR.

At the hearing, the Department provided no evidence that a Health Care Coverage Determination Notice was issued, which denied the February 5, 2015, MA application and retro MA application, and thus, has failed its burden of proof to demonstrate that it properly processed the February 5, 2015, application and retro application. Thereafter, the Department issued Employment verifications to five employers and did not provide copies of the forms to the AHR. On June 24, 2015, the Petitioner's AHR first was notified that it required information regarding five additional employers. Thereafter, the AHR made numerous attempts to obtain the information and requested the Department's assistance. Clearly the employers failed to cooperate. Somehow the Department came up with wage information for June 2015 through August 2015 and activated MA coverage; however no coverage was activated for the February 2015 application month and the January 2015 and December 2014 retro MA months.

Based upon the evidence received, it is determined that the Department failed to process and determine eligibility for the February 5, 2015, MA and retro MA applications. In addition, the Department is required to provide an AHR all notices and communications it provides to the Petitioner. It is clear the Department also failed to do this as well. Thus, the Department did not meet its burden to show that it acted in accordance with Department policy in this case.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it failed to provide evidence that it processed the MA application and retro application in this case.

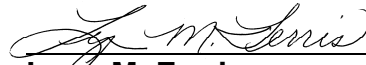
### **DECISION AND ORDER**

Accordingly, the Department's decision is **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall reregister and reprocess the Petitioner's MA and retro MA applications for the period December 1, 2014, through February 2015 and determine eligibility ongoing.

2. The Department shall use the verification it received on May 1, 2015, in determining eligibility and shall assist the Petitioner's AHR in obtaining any further employment information as the employers were unresponsive to the AHR after numerous.
3. The Department shall provide the Petitioner and Petitioner's AHR all written communications it issues in this case after re registration.



**Lynn M. Ferris**

Administrative Law Judge  
for Nick Lyon, Director

Department of Health and Human Services

Date Mailed: **2/18/2016**

LMF/jaf

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date. A copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from MAHS within 30 days of the mailing date of this Hearing Decision, or MAHS **MAY** order a rehearing or reconsideration on its own motion. MAHS **MAY** grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-8139

cc:

